

FIG. 1
PRIOR ART

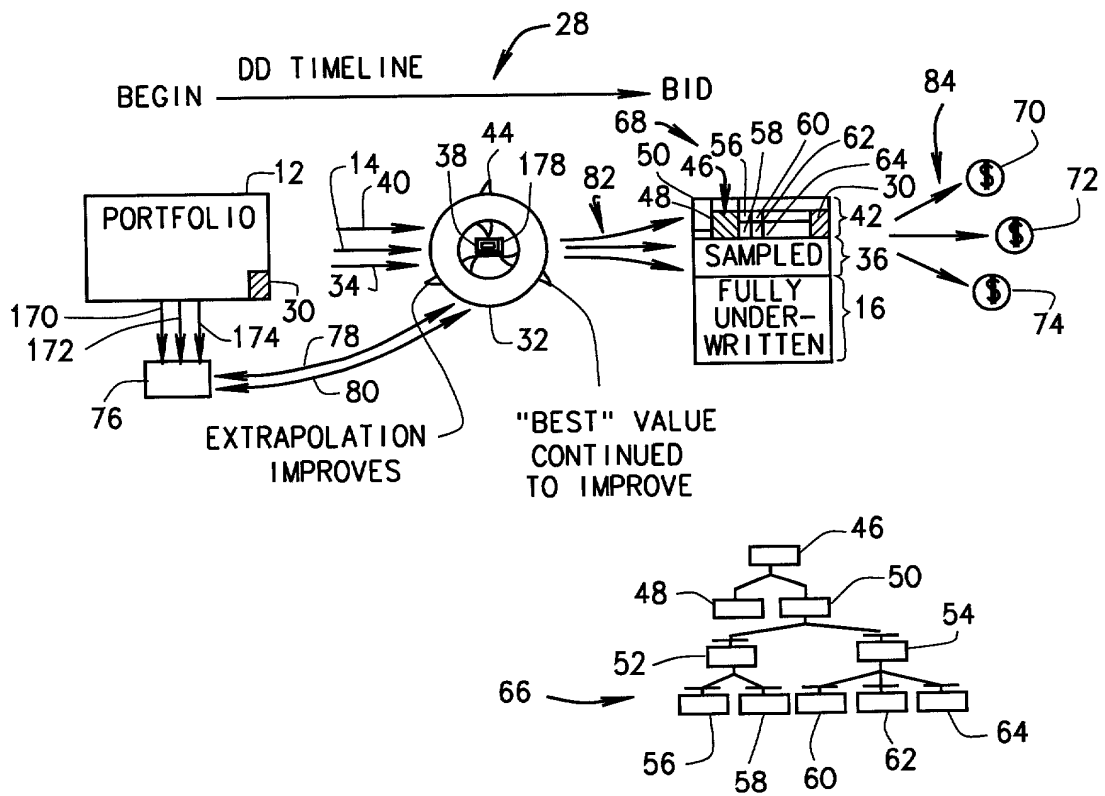


FIG. 2



FROM FIG. 3

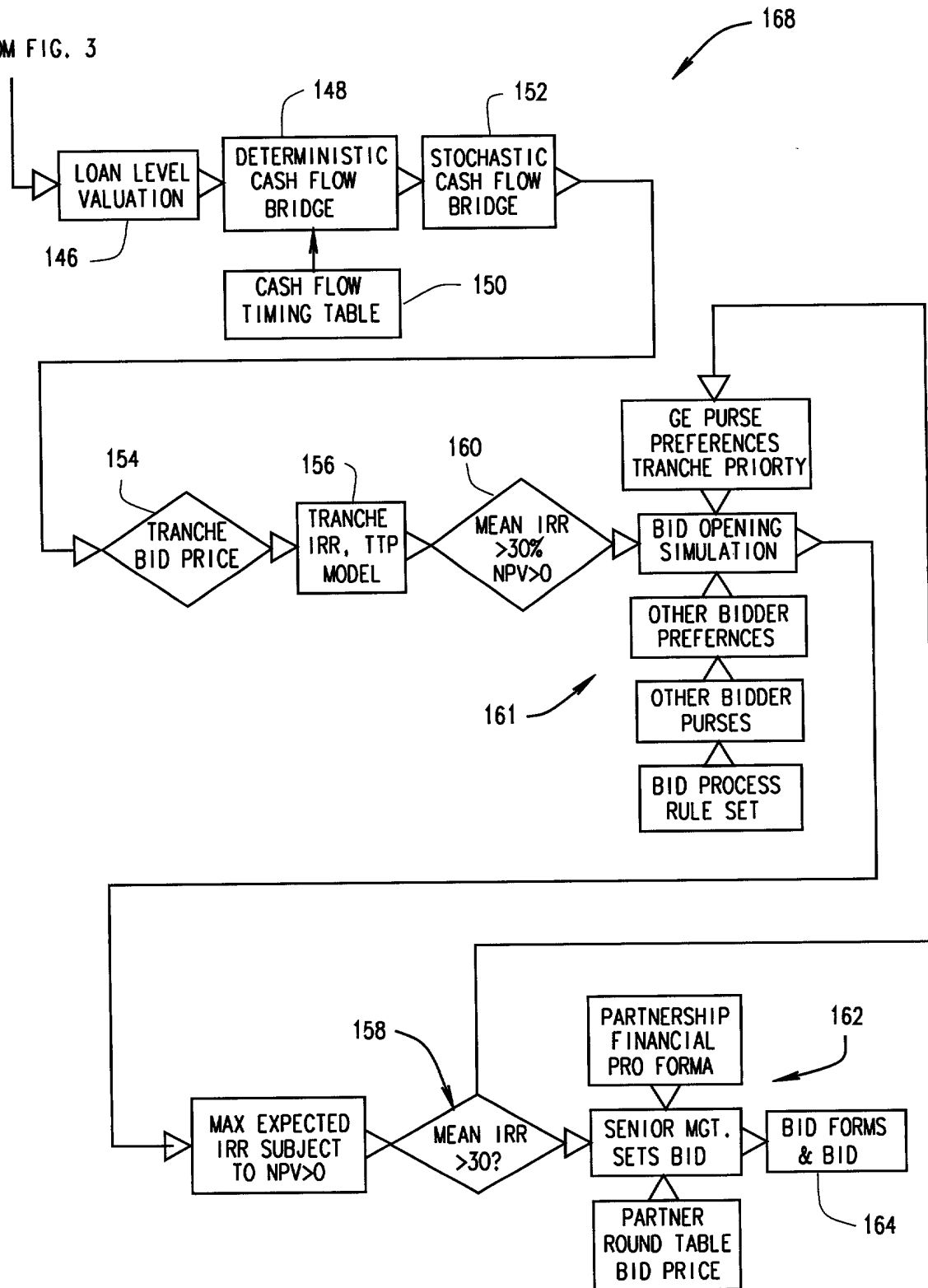


FIG. 4

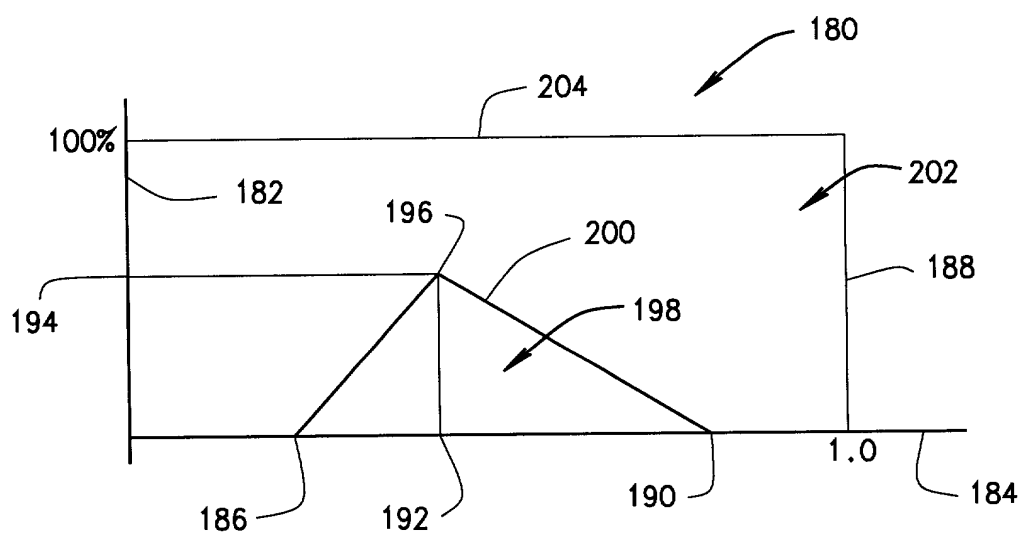


FIG. 5

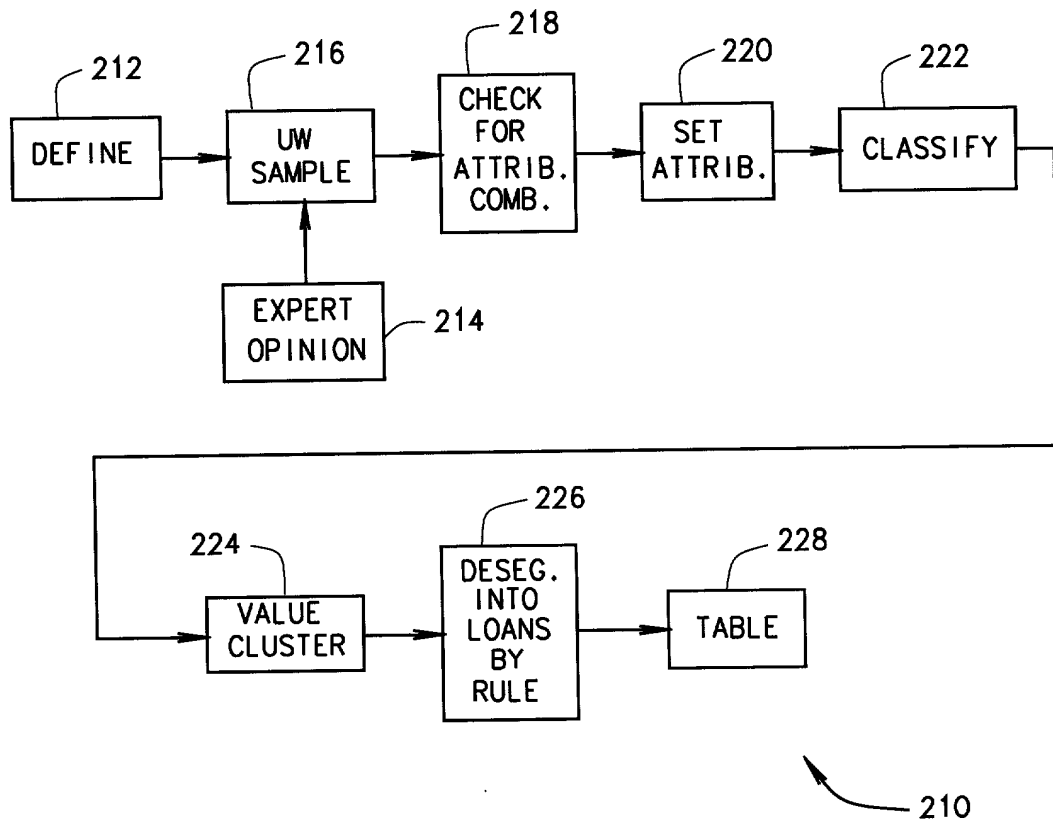


FIG. 6

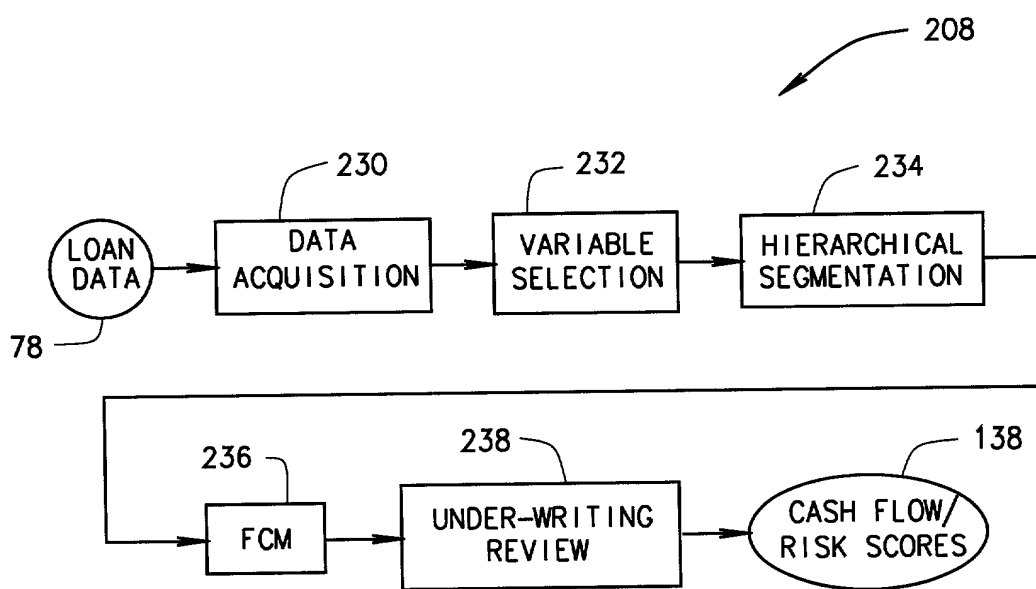


FIG. 7

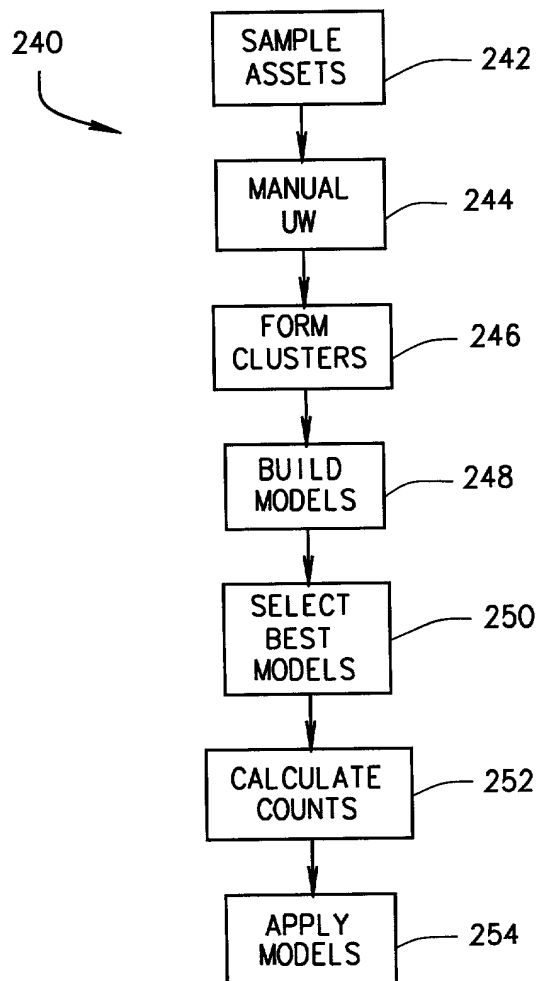


FIG. 8

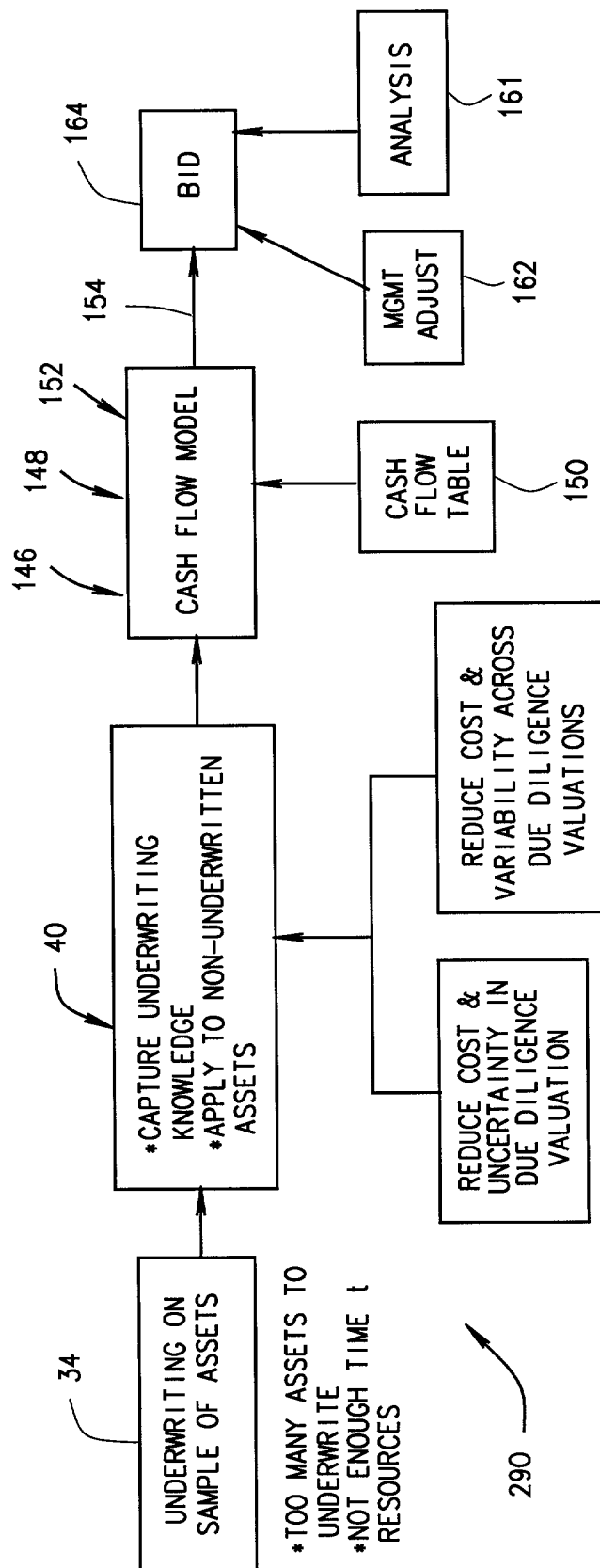


FIG. 9



FIG. 10

6 MODELS BUILT:

- *MODELS DIFFER BY WHICH VARIABLES USED
- *UW ASSETS GET THE MINIMUM ERROR PREDICTION (ACTUAL-PREDICTED)

VARIABLES USED

LAND AREA
BLDG AREA
OLD APPRAISAL
GEN 1 PREDICTED CURRENT APPRAISAL
GEN 1 PREDICTED REALIZED PRICE
PROPERTY TYPE
LOCATION
-BY-
COM/RES
GROUP (CLUSTER)

248 BUILD MODELS

MODEL 1 MODEL 2 MODEL 3 MODEL 4 MODEL 5 MODEL 6

X			X	X	X	
X			X	X	X	
						X
X	X	X	X	X	X	
X	X	X	X	X	X	
X	X	X				
X	X		X			
X	X	X	X	X	X	X
X	X	X	X	X	X	X

MODEL "WEIGHTS":

- *EACH CELL IS COUNT OF TIMES THE MODEL PRODUCED BEST PREDICTION FOR UW ASSETS
- *DETERMINES WEIGHTS FOR AVERAGING PREDICTIONS FOR NON-UW ASSETS

MODEL ASSET CLASS		GROUP	MODEL 1	MODEL 2	MODEL 3	MODEL 4	MODEL 5	MODEL 6	SUM
256	COURT AUCTION COMMERCIAL	1	13	13	13	8	32	32	87
		2	29	25	29	24	19	19	148
	TOTAL								
	COURT AUCTION RESIDENTIAL	1	5	5	10	4	12	12	51
		2	4	7	9	13	23	23	59
	3	2	15	11	13	8	8	53	
TOTAL								163	
258	MARKET VALUE COMMERCIAL	1	16	13	11	15	21	21	86
		2	29	22	29	24	19	19	150
	TOTAL								236
	MARKET VALUE RESIDENTIAL	1	5	8	4	11	12	14	51
		2	8	9	10	15	19	19	59
	3	6	16	5	20	2	2	54	
TOTAL								164	

IG. 11

FIG. 11

VARIABLE	CATEGORY/VALUE RANGE	ENCODING SCHEME
LOAN SECURED	(YES, NO)	YES = 1, ELSE = 0
LOAN TYPE	(REVOLVING, NON-REVOLVING)	REVOLVING = 1 ELSE 0
LAST PAYMENT	(0, 250 MM)	0 IF LAST PAYMENT = 0 ELSE 1
NOTICE OF DEFAULT SENT		PRIOR TO JUN 97 EQUALS 1 ELSE 0
ORIGINAL MATURITY DATE		PRIOR TO JUN 97 EQUALS 1 ELSE 0
SYNDICATED LOAN	(YES, NO)	YES = 1, ELSE = 0
LOAN GUARANTEED	(YES, NO, NAV)	YES = 1, ELSE = 0
COLLECTION SCORE	(0, 1)	
LIEN POSITION	(-1, 0, 1)	1 IF LIEN POSITION = 1 ELSE 0
CURRENT UPAD BALANCE/ORIGINAL BALANCE	(0, 2.9)	NORMALIZED TO (0, 1)
LAST PAYMENT TO INTEREST/LAST PAYMENT	(0, 1)	



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FIG. 12

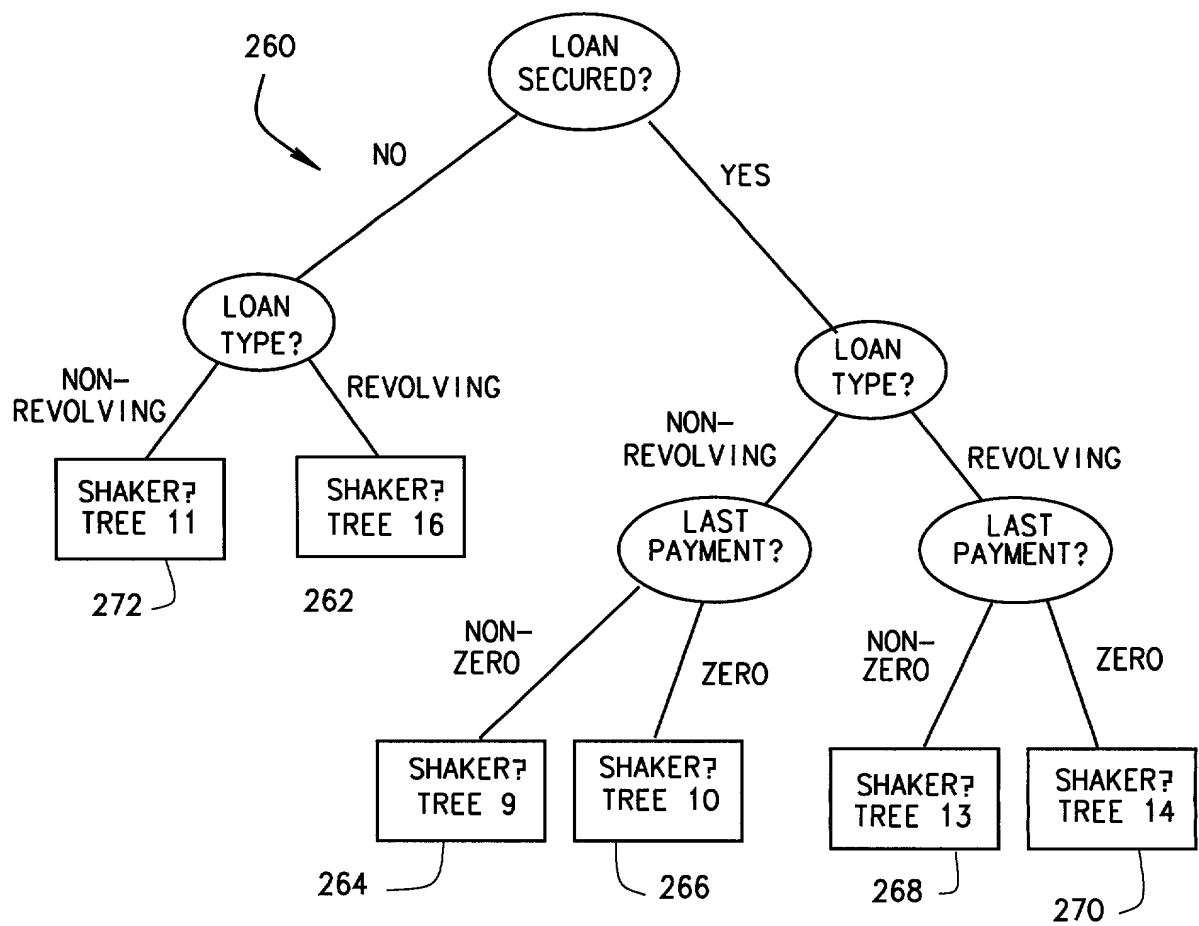


FIG. 13

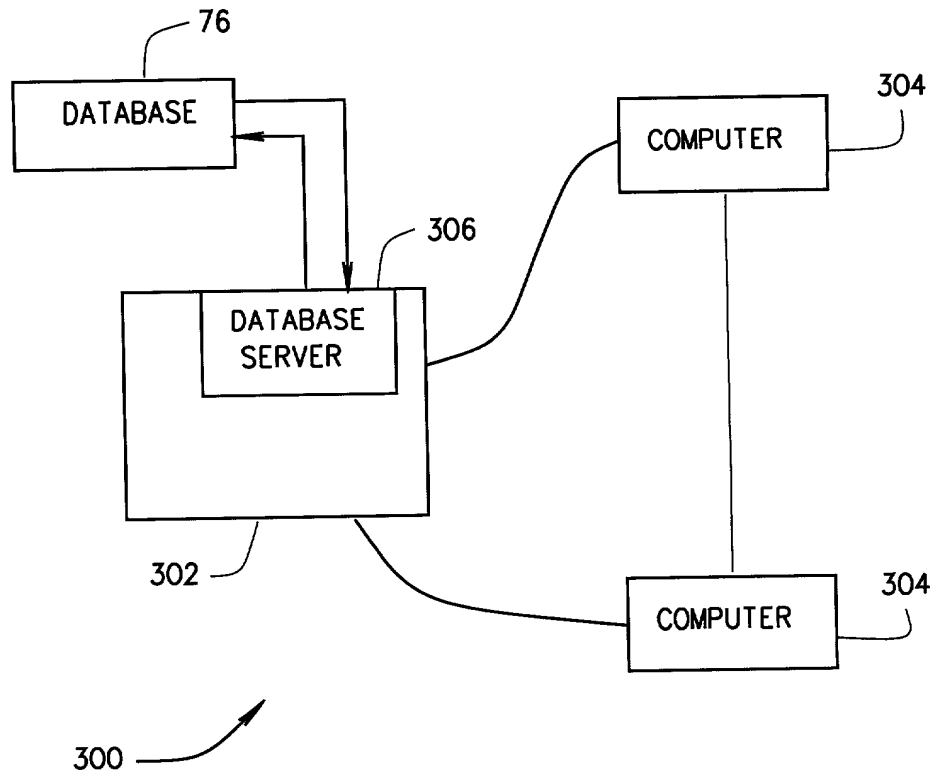


FIG. 14

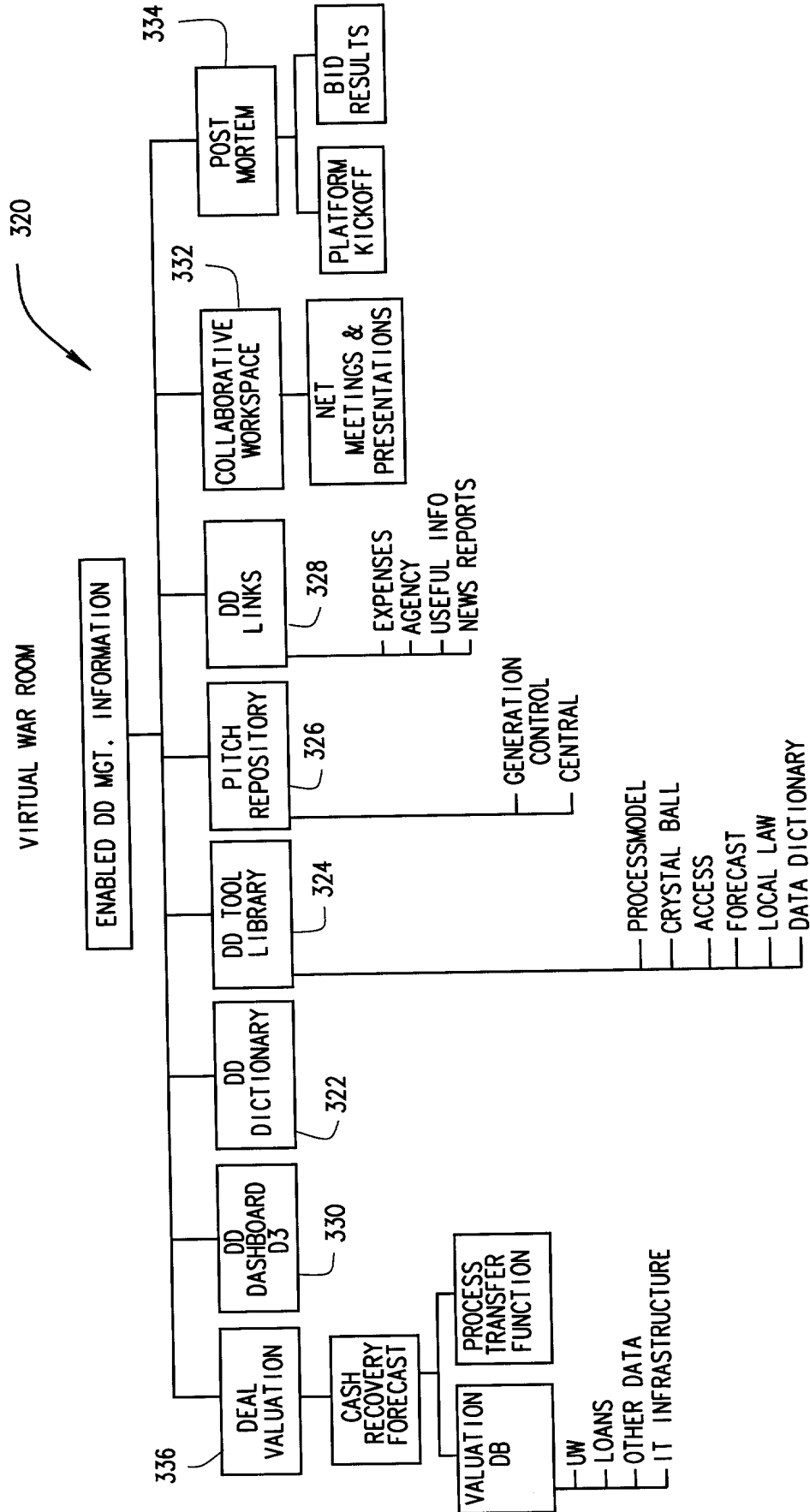


FIG. 15